

House File 2456 - Reprinted

HOUSE FILE 2456

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 668)

(As Amended and Passed by the House April 1, 2014)

A BILL FOR

1 An Act relating to the approval and imposition of the
2 facilities property tax levy and the equipment replacement
3 and program sharing property tax levy for a merged area and
4 including effective date and applicability provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 260C.15, subsection 1, Code 2014, is
2 amended to read as follows:

3 1. Regular elections held by the merged area for the
4 election of members of the board of directors as required by
5 section 260C.11 or for any other matter authorized by law and
6 designated for election by the board of directors of the merged
7 area, shall be held on the date of the school election as fixed
8 by section 277.1. However, elections held for the ~~renewal~~
9 imposition, rate change, or discontinuance of the twenty and
10 one-fourth cents per thousand dollars of assessed valuation
11 levy authorized in section 260C.22 shall be held either on the
12 date of the school election as fixed by section 277.1 or at a
13 special election held on the second Tuesday in September of
14 the even-numbered year. The election notice shall be made a
15 part of the local school election notice published as provided
16 in section 49.53 in each local school district where voting is
17 to occur in the merged area election and the election shall be
18 conducted by the county commissioner of elections pursuant to
19 chapters 39 through 53 and section 277.20.

20 Sec. 2. Section 260C.22, subsection 1, paragraphs a and b,
21 Code 2014, are amended to read as follows:

22 a. In addition to the tax authorized under section 260C.17
23 and upon resolution of the board of directors, the voters
24 in a merged area may at the regular school election or at a
25 special election held on the second Tuesday in September of
26 the even-numbered year vote a tax not exceeding twenty and
27 one-fourth cents per thousand dollars of assessed value in any
28 one year for a period not to exceed ten years, unless otherwise
29 provided under subsection 2, for the purchase of grounds,
30 construction of buildings, payment of debts contracted for the
31 construction of buildings, purchase of buildings and equipment
32 for buildings, and the acquisition of libraries, for the
33 purpose of paying costs of utilities, and for the purpose of
34 maintaining, remodeling, improving, or expanding the community
35 college of the merged area. If the tax levy is approved under

1 this section, the costs of utilities shall be paid from the
2 proceeds of the levy. The tax shall be collected by the county
3 treasurers and remitted to the treasurer of the merged area as
4 provided in section 331.552, subsection 29. The proceeds of
5 the tax shall be deposited in a separate and distinct fund to
6 be known as the voted tax fund, to be paid out upon warrants
7 drawn by the president and secretary of the board of directors
8 of the merged area district for the payment of costs incurred
9 in providing the school facilities for which the tax was ~~voted~~
10 authorized.

11 b. In order to make immediately available to the merged
12 area the proceeds of the voted tax ~~hereinbefore~~ authorized to
13 be levied under this section, the board of directors of any
14 such merged area is hereby authorized, without the necessity
15 for any further election, to borrow money and enter into loan
16 agreements in anticipation of the collection of such tax,
17 and such board shall, by resolution, provide for the levy
18 of an annual tax, within the limits of the special voted
19 tax ~~hereinbefore~~ authorized under this section, sufficient
20 to pay the amount of any such loan and the interest thereon
21 to maturity as the same becomes due. A certified copy of
22 this resolution shall be filed with the county auditors of
23 the counties in which such merged area is located, and the
24 filing thereof shall make it a duty of such auditors to enter
25 annually this levy for collection until funds are realized
26 to repay the loan and interest thereon in full. Said loan
27 ~~must mature within the number of years for which the tax has~~
28 ~~been voted and~~ shall bear interest at a rate or rates not
29 exceeding that permitted by chapter 74A. Any loan agreement
30 entered into pursuant to authority herein contained shall be
31 in such form as the board of directors shall by resolution
32 provide and the loan shall be payable as to both principal and
33 interest from the proceeds of the annual levy of the voted tax
34 ~~hereinbefore~~ authorized under this section, or so much thereof
35 as will be sufficient to pay the loan and interest thereon. In

1 furtherance of the foregoing the board of directors of such
2 merged area may, with or without notice, negotiate and enter
3 into a loan agreement or agreements with any bank, investment
4 banker, trust company, insurance company or group thereof,
5 whereunder the borrowing of the necessary funds may be assured
6 and consummated. The proceeds of such loan shall be deposited
7 in a special fund, to be kept separate and apart from all other
8 funds of the merged area, and shall be paid out upon warrants
9 drawn by the president and secretary of the board of directors
10 to pay the cost of acquiring the school facilities for which
11 the tax was ~~voted~~ authorized.

12 Sec. 3. Section 260C.22, subsections 2 and 3, Code 2014,
13 are amended by striking the subsections and inserting in lieu
14 thereof the following:

15 2. Following approval of the tax at two consecutive
16 elections under subsection 1 where the question of imposing
17 the tax appeared on the ballot, if the tax has been imposed
18 for a period of at least twenty consecutive years and either
19 the period of time for imposing the tax approved at the last
20 election under subsection 1 or the period of time for imposing
21 the tax established previously by resolution under this
22 subsection 2 is due to expire, the board of directors of the
23 merged area may, by resolution, continue to impose the voted
24 tax each year for a period not to exceed ten years at a rate not
25 to exceed the maximum rate approved at election until the tax
26 is discontinued or the maximum rate is increased following an
27 election pursuant to subsection 3. An increase in the maximum
28 rate of the voted tax, not to exceed the maximum rate specified
29 in subsection 1, shall be approved at election pursuant to the
30 requirements of subsection 3.

31 3. A voted tax imposed under this section may be
32 discontinued, or its maximum rate changed, by petition and
33 election. Upon receipt of a petition containing the required
34 number of signatures, the board of directors of a merged area
35 shall direct the county commissioner of elections responsible

1 under section 47.2 for conducting elections in the merged area
2 to submit to the voters of the merged area the question of
3 whether to discontinue the authority of the board of directors
4 to impose the voted tax under this section or to change the
5 maximum rate of the voted tax, whichever is applicable. The
6 petition must be signed by eligible electors equal in number to
7 not less than twenty-five percent of the votes cast at the last
8 preceding election in the merged area where the question of the
9 imposition of the tax appeared on the ballot. The question
10 shall be submitted at an election held on a date authorized for
11 an election under subsection 1, paragraph "a". If a majority of
12 those voting on the question of discontinuance of the board of
13 directors' authority to impose the tax favors discontinuance,
14 the board shall not impose the tax for any fiscal year
15 beginning after expiration of the period of time for imposing
16 the tax approved at the last election under subsection 1 or the
17 period of time for imposing the tax established by resolution
18 of the board under subsection 2 that is in effect on the
19 date the petition for the election is filed with the board,
20 whichever is applicable, unless following discontinuance the
21 voted tax is again authorized at election under subsection 1.
22 If a majority of those voting on the question to change the
23 maximum rate of the voted tax favors the proposed change, the
24 new maximum rate shall apply to fiscal years beginning after
25 the date of the election.

26 Sec. 4. Section 260C.22, subsection 4, Code 2014, is amended
27 by striking the subsection.

28 Sec. 5. Section 260C.28, subsection 3, Code 2014, is amended
29 to read as follows:

30 3. a. If the board of directors wishes to certify for a
31 levy under subsection 2, the board shall direct the county
32 commissioner of elections to submit the question of such
33 authorization for the board at an election held on a date
34 specified in section 39.2, subsection 4, paragraph "c". If a
35 majority of those voting on the question at the election favors

1 authorization of the board to make such a levy, the board
2 may certify for a levy as provided under subsection 2 during
3 each of the ten years following the election, unless otherwise
4 authorized under paragraph "b". If a majority of those voting
5 on the question at the election does not favor authorization
6 of the board to make a levy under subsection 2, the board may
7 submit the question to the voters again at an election held on
8 a date specified in section 39.2, subsection 4, paragraph "c".

9 b. Following approval of the additional tax authorized
10 under subsection 2 at two consecutive elections under paragraph
11 "a" where the question of imposing the additional tax appeared
12 on the ballot, if the additional tax has been imposed for a
13 period of at least twenty consecutive years and either the
14 period of time for imposing the additional tax approved at the
15 last election under paragraph "a" or the period of time for
16 imposing the tax established previously by resolution under
17 this paragraph "b" is due to expire, the board of directors
18 of the merged area may, by resolution, continue to impose
19 the additional tax each year for a period not to exceed ten
20 years at a rate not to exceed the maximum rate authorized
21 under subsection 2, until the tax is discontinued following an
22 election pursuant to paragraph "c".

23 c. The additional tax authorized under subsection 2 may
24 be discontinued by petition and election. Upon receipt of a
25 petition containing the required number of signatures, the
26 board of directors of a merged area shall direct the county
27 commissioner of elections responsible under section 47.2 for
28 conducting elections in the merged area to submit to the voters
29 of the merged area the question of whether to discontinue the
30 authority of the board of directors to impose the additional
31 tax under subsection 2. The petition must be signed by
32 eligible electors equal in number to not less than twenty-five
33 percent of the votes cast at the last preceding election in
34 the merged area where the question of the imposition of the
35 additional tax appeared on the ballot. The question shall

1 be submitted at an election held on a date specified in
2 section 39.2, subsection 4, paragraph "c". If a majority of
3 those voting on the question of discontinuance of the board
4 of directors' authority to impose the additional tax favors
5 discontinuance, the board shall not impose the additional
6 tax for any fiscal year beginning after the expiration of
7 the period of time for imposing the tax approved at the last
8 election under paragraph "a" or the period of time for imposing
9 the additional tax established by resolution of the board under
10 paragraph "b" that is in effect on the date the petition for
11 the election is filed with the board, whichever is applicable,
12 unless following discontinuance the additional tax is again
13 authorized at election under paragraph "a".

14 Sec. 6. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
15 immediate importance, takes effect upon enactment.

16 Sec. 7. APPLICABILITY.

17 1. This Act applies to merged area voted taxes under section
18 260C.22 in effect on the effective date of this Act and merged
19 area voted taxes approved at election under section 260C.22 on
20 or after the effective date of this Act.

21 2. This Act applies to merged area taxes under section
22 260C.28, subsections 2 and 3, in effect on the effective date
23 of this Act and merged area taxes approved at election under
24 section 260C.28, subsection 3, on or after the effective date
25 of this Act.